mouth of the Saint Lawrence results in discovery of other needed metals. There are rich cand depasts in Nova Scotia and important finds of lead and size have been made in Northern New Brunswich. Significant deposits of copper are located in Quebec and an important find of tilindium has been made in Southern Labrador. Labrador also has recently revealed a find of manganese.

It is our understanding that Canada desires, and has made it increasincly clear that she intends, to proceed, unilaterally if necessary, without United States participation. Failure of the U.S. to participate at this time in the navigation features of the seaway would result in the construction of all the locks on the Canadian side of the Saint Lawrence River wholly outside U.S. territory. As a result, no part of the seaway locks and lateral canals would ever be under the control of the United States. The United States would not have a voice in the control of the traffic through the seaway on an equal basis with Canada. The United States would then necessarily have to depend upon Canada to evaluate and take steps necessary to protect its interest in the matter of the operation of the seaway, not only in relation to toll charges and priority of transportation in times of emergencies, but also in relation to the physical security and control of the seaway. Although the Joint Chiefs of Staff can hardly conceive of a war in which we would be involved with Canada remaining neutral, from a national security viewpoint we cannot ignore the possibility of such an eventuality. Since it is not customary for neutral nations to permit the use of their inland waters to belligerents, its use could possibly be denied to us at the very time we needed it most by a failure on our part to participate jointly with Canada in the construction of the waterway, thereby insuring joint control to the United States. The concept of unilateral control by a foreign government, however cordial our relations may be, of an inland waterway touching the borders of the United States is inconceivable to the Joint Chiefs of Staff from a defense standpoint. Therefore, from our viewpoint, U.S. participation in its construction which, in effect, would give us equal control, is just as important from the national security aspect as the seaway Starlf.

In amplification of the need for a protected roate to additional sources of high-grade iron ers. I need hardly remind you of the difficulties we experience in World War II is shipping needed oil and haustle from Gulf Coast ports and from South America to the Eastern Seaboard. Should war ever be forced upon us again, our estimate is that the submarine threat will not be any the last better to the Contrary, present indications are that it will be greater.